

JOBS AND EDUCATION FOR TEXANS (JET) ADVISORY BOARD MEETING MINUTES

July 22, 2016

A duly posted open meeting of the Jobs and Education for Texans (Jet) Advisory Board was held on Friday July 22, 2016, at 9:00 a.m. at Texas Workforce Commission, 101 E. 15th Street, Room 151, Austin, Texas. A quorum was present.

MEMBERS PRESENT

Andres Alcantar
John Fitzpatrick
David Gardner
Steve Lecholop
Mario Lozoya

CALL TO ORDER AND ROLL CALL

Texas Workforce Commission (TWC) Chairman Andres Alcantar called the meeting to order. The Chairman introduced Advisory Board Committee member John Fitzpatrick who was unable to attend the April 27, 2016, meeting. The Chairman welcomed Commissioner Representing Labor Julian Alvarez, and Commissioner Representing Employers Ruth R. Hughs.

The Chairman asked TWC JET Program Manager Emily Clodfelter to call the roll. Quorum was present.

APPROVAL OF MINUTES FOR APRIL 27, 2016 MEETING; DISCUSSION AND POSSIBLE ACTION

The Chairman asked if there is an approval of the minutes from the April 27, 2016, JET Advisory Board meeting. Board member Fitzpatrick made a motion and Board member Lozoya seconded. The motion was approved.

PUBLIC COMMENT

No public comments.

DISCUSSION, CONSIDERATION AND POSSIBLE ACTION REGARDING GRANTS TO PUBLIC JUNIOR COLLEGES, PUBLIC TECHNICAL INSTITUTES AND INDEPENDENT SCHOOL DISTRICTS

TWC Office of Employer Initiatives Director Aaron Demerson recognized the members of the evaluation team. Mr. Demerson stated the evaluation team has been working hard to make sure the team was in a position to make staff recommendations to the advisory board. Mr. Demerson outline the meeting topics to include the summary of applications received and the information that TWC Assistant Director of Operational Insight David Johnson would be presenting detailing back ground information on the type of applications received, rural and urban community impact, and how TWC works with Texas Education Agency (TEA) on ensuring a fair process going forward.

Mr. Demerson informed the board about discussions regarding staff recommendations on proposals for the Independent School Districts (ISDs) and community colleges and getting the boards' guidance on excess amount of funds left over and what to do with this amount.

Mr. Demerson referred to the proposal summary in tab three of the notebooks that was given to the board for the meeting. He let the committee know that TWC is getting the word out about the JET program through press releases, GovDelivery documents, Education Service Centers (ESCs), and TWC Commissioners and staff visiting with organizations. He told the committee that TWC received 59 ISD proposals. Out of the 59 proposals, 17 were disqualified. Of those disqualified, 11 had no board confirmation, two had omitted high demand board confirmation forms, two had no certification signature, one was a private partner, and one did not meet the minimum grant qualification. He told the committee that TWC received 42 institution of higher education (IHE) applications to include 5 disqualifications. Less disqualifications were found with community colleges because they had prior submission experience; two were disqualified due to ineligible offeror, one duplicate submission, and two omitted high demand board confirmation forms. Mr. Demerson informed the committee that they will get an idea of the applications received and the ones that were disqualified. Mr. Demerson stated that there will be more communication between applicants and TWC to reduce the amount of disqualifications.

TWC Executive Director Larry Temple remarked briefly on notifying those applicants who were successful and beginning the contract process. He stated those who did not qualify would be eventually notified and that applicants can appeal the process at that time. TWC Assistant General Counsel Diane Parker confirmed Mr. Temple's statement and stated it is the standard appeal process. Additionally, TWC Grant Procurement Team Lead Karol Huntmoses confirmed the appeal process.

Board member Fitzpatrick thanked TWC staff for the information and asked if TWC had thought of any additional ways to provide technical assistance and feedback since the process is new to the school districts. He mentioned a 20 percent knock out which is high for most grant programs he's involved in. He asked if there is an outreach process to get the message out for future submissions. Mr. Fitzpatrick referred TWC to Texas Association of School Administrators (TASA) and Robin Painovich, Executive Director, Career & Technology Association of Texas (CTAT) to increase the quality of proposals prior to submission. Mr. Fitzpatrick mentioned the

small, rural and big urban districts and that the top 50 is only eighty percent of the kids out of 1,200 school districts. He stated how he understands that it is a first time program for ISDs, but he would like to see the number increase over time.

Mr. Demerson addressed the committee and informed them that he had met with Region 13 and we are continuing to develop relationships the Education Service Centers (ESCs) He will make sure our agency communicates with the ISDs and the TEA. He mentioned TWC will engage the 20 Education Service Centers, work with TEA on any list, and he will present to the board.

Board member Lozoya express his concerns regarding the low number of applicants and the reasons for applicants being disqualified. He stated how we can learn how to engage the ISDs and asked if the committee could assist in anyway. Board member Fitzpatrick wanted to know if workforce boards require a K-12 representative. Chairman said what we need to focus on is how to more effectively outreach rural areas, like Education Service Center- type relationships.

Chairman Alcantar stated that the boards work very closely with the local community colleges and fairs at the high school. The Chairman did address how to effectively outreach without changing the requirements for the board. He mentioned how the program is working with \$2.5 million. The upper range on one of the applicants was \$350,000.

Commissioner Alvarez stated that anywhere he goes, he is asked about the JET program. His question was there was a second round coming up around September he was concerned that the number for ISDs will be lower since they are on summer break right now. Mr. Demerson said that we are continuing to get the word out to ISDs. Commissioner Gardner stated how hard it is sometimes to get the information out to the right people.

Ms. Clodfelter stated the most the Texas Comptroller of Public Accounts agency ever received was approximately 30 applications with a \$5 million allocation. The Advisory Board was pleased with that information.

TWC Assistant Director of Operational Insight David Johnson gave a breakdown of applications received and referred to tab seven in the notebook provided to the committee. He stated the community college scoring factors were the same that Comptroller's used. The application score was worth 50 percent of the overall score. The other 50 percent consisted of the economic impact evaluation factors. These factors were the estimated wage impact that the program would have with the students and the community size. For the ISDs, the application score was worth 50 percent of the overall score. The other 50 percent was based on economic factors, which included the wage impact and assessment of property wealth in the school district and the community type. He stated that those were equally rated at about 16.6 percent each. As the Advisory Board directed, we evaluated each factor on a 0 to 100-point scale and multiplied that by the weight of each factor. He added the applicants had to have a total score of 60 to be eligible for an award. The applicants were then ranked from highest to lowest and then it was determining how many could be funded until funds ran out to fully fund the next one. He stated

how the ISDs and community colleges had left over fund and therefore the highest applications couldn't be funded. He stated that was how the scoring process worked.

Mr. Johnson went on explain the statistics of received proposals. Board member Lecholop asked if the applicants can reapply and TWC staff response was yes. Board member Lozoya asked if disqualified applicants will be made aware of the reason for the disqualification, and TWC staff informed him that yes, they will be made aware.

Mr. Demerson discussed staff recommendation based on scoring. He referred to tab five for the list of ISD recommended proposals. The names of applicants have been masked. The scoring ranged from 83 to 68. A scoring floor of 60 was established during the last meeting. Listed on the document is the requested grant amount, remaining grant funds, average wages, number of unduplicated students, occupational title, license or certificate for the program, and requested equipment. Mr. Johnson explained the occupation distribution for ISD and community college proposals.

Board members had concerns regarding the high demand occupation of certain proposals. Staff response was that high demand occupation can vary by local workforce development board region.

Board member Fitzpatrick asked how many proposals were above the score of 60 floor and not funded? Mr. Johnson stated that 10 community colleges and 9 ISDs had at least a score of 60 and were not able to be funded.

Mr. Demerson stated staff recommendation for the ISDs is to fully fund items one through 14..

Mr. Demerson then gave an overview of the recommended community college proposals. Based on funding, items one through nine can be fully funded. Looking to the Advisory Board for recommendations for what to do with remaining funds. With the remaining funds, item 10 on the community college list can be fully funded, or item 15 can be partially funded on the ISD list.

Board member Lozoya asked about partial funding and TWC staff stated it could change deliverables.

Board member Lecholop made a motion to fully fund the community colleges items one through 10 and one through 14 for the ISDs. The motion was seconded by Board member Fitzpatrick and motion was approved.

The board discussed the remaining funds and asked if we can use that for promotional outreach. Motion made by Board member Fitzpatrick, that to the extent allowed, remaining funds, mentioned at \$14,000, will be spent on outreach with focus on ISDs. Motion seconded by Board member Lozoya and motion was approved.

Chairman stated that he will work with staff and his fellow Commissioners to get out of the road and highlight these awards.

DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON STATUTORY AND ADMINISTRATIVE RULES UPDATE AND OVERVIEW FOR FUTURE ROUNDS

Ms. Clodfelter delivered a quick update. She stated TWC is in the drafting phase of the proposed JET rules. The Commission approval of proposed rules is scheduled for August 9, 2016. The rules will then be posted in the Texas Register for a 30-day public comment period. The process is operating under the rules of the Comptroller's office. Refer to House Bill 3062.

DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON FUTURE BOARD MEETINGS

Ms. Clodfelter stated \$5 million will be available for the next round. She mentioned the next JET meeting will be scheduled for mid-September and she will be emailing committee for possible dates.

The Chairman stated the committee will receive details on how TWC will outreach to potential applicants. Board member Fitzpatrick requested meeting materials a week in advance in order to have time to review. The request was granted by Mr. Demerson. The Chairman stated staff will give committee a draft of outreach a week out.

Board member Gardner thanked the staff for all their hard work because he knew how much work was involved. He appreciated the hard work and applause ensued. Board member Lecholop echoed the sentiment. Board member Fitzpatrick also echoed the sentiment and stated the JET program will give a lot of kids the opportunity and the program will make a big difference and that he was glad to be a part of this Advisory Board.

The Chairman asked Commissioner Hughs for comment and she commented the Advisory Board on all their hard work. She mentioned how she visited Waco and Dallas and the conversation always included the JET program. She understands the program is new and stated the program had the commissioners' support. She stated TWC is committed to the program and congratulated the team.

Commissioner Alvarez echoed what Commissioner Hughs stated. He thanked Mr. Demerson and his staff and stated all the input was valuable.

Mr. Demerson wanted to make sure to thank his team. He stated it takes a team approach which includes legal, accounting, and evaluators. He thanked Cassandra Medrano for taking the minutes. He appreciated all the input.

ADJOURNMENT

Board member Lecholop made a motion to adjourn. Motion was seconded by Board member Fitzpatrick and approved at 10:42 a.m.